A new way to measure economic growth in U.S. metropolitan areas

Brookings ranks the 100 largest metropolitan areas on growth, prosperity, and inclusion

Washington, DC—New economic performance rankings for the 100 largest U.S. metropolitan areas on growth, prosperity, and inclusion were released today by the Brookings Metropolitan Policy Program.

The report, “Metro Monitor: Tracking growth, prosperity, and inclusion in the 100 largest U.S. metropolitan areas,” aims to advance new ways of measuring economic success in metropolitan America by not only measuring economic growth but also how growth is achieved and who benefits from it.

The report and accompanying data interactive rank metropolitan areas compared to their peers over the past one, five, and 10 years in three economic categories: growth, or changes in the size of the metropolitan economy; prosperity, or changes in the economic well-being of the region’s average workers and residents; and inclusion, or changes in disparities within the region by income and race.

“Successful economic development strategies not only grow an economy but raise living standards for all of its residents,” said Brookings Senior Research Analyst Richard Shearer, lead author of the report. “The Metro Monitor will help metropolitan and regional leaders understand the impacts of their economic development strategies and measure their progress.”

The report finds that between 2009 and 2014, only nine of the 100 largest metro areas outperformed averages in growth, prosperity, inclusion, and inclusion by race. Overall many metropolitan areas achieved robust growth during the economic recovery, but this growth did not generate a higher quality of life for many individuals. Median wages, for instance, declined in 80 of the 100 metro areas.

“Race is an important aspect of our inclusion measurements,” said Shearer. “Measuring the gap between economic outcomes for whites and people of color can indicate whether access to opportunity is broadly shared in a metropolitan area.”

Disparities widened between non-Hispanic whites and people of color—Hispanics, non-Hispanic blacks, non-Hispanic Asians, and people of other or two or more races—on measures of median wage, relative income poverty, and employment in most metropolitan areas during the recovery. Only 21 metropolitan areas saw the gap between whites and people of color shrink significantly on all three measures.

“The Metro Monitor shows that economic growth alone does not reliably assure better outcomes for all groups in metropolitan areas,” said Brookings Senior Fellow and Deputy Director Alan Berube, a co-author of the report. “Local leaders hoping to extend and accelerate this economic recovery need to make deliberate efforts to ensure that more people and communities benefit from a rising tide.”

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